EXHIBIT 35
(Filed Under Seal)

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Oral Testimony

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Mr. Chairman, Ranking Member, and Members of the Subcommittee, thank you for the honor and privilege to appear before you today. My name is Rod Brenneman and I am the President and CEO of Seaboard Foods.

I have provided the Subcommittee with lengthier testimony for the record so I will limit my comments this morning to 5-minutes in keeping with the rules.

Mr. Chairman, there are many challenges facing the economic viability of the pork industry including higher input costs for feed and energy, an over-abundance of supply in the domestic market, weakening demand and international trade barriers.

Input Costs

Higher feed and energy prices shape production decisions and prices paid for feed doubled from 2006 to 2008, mainly due to higher corn and soybean meal prices. By mid-2008, corn prices were nearly 150 percent higher than prices were in 2007 and soybean meal prices reached record levels during this same time period.

While there are various reasons for the increase in feed prices, certainly one of them has been the determined government policies to promote the use of corn for ethanol. This effort, while seeking a desirable goal which is to lower the U.S. reliance on fossil fuels, has had an unfortunate unintended consequence to the U.S. meat industry and ultimately to consumers. In my opinion, this policy must be re-evaluated.

Increase in energy prices has also affected the pork sector. Meat products require energy-intensive refrigeration and pork supplies in cold storage at the end of August 2009 were estimated to be 517.9 million pounds, which is 3 percent higher than last year at this time and – over 19 percent higher than the five year average. To keep pace with rising feed and energy prices, product pricing must also rise. However, prices have not risen at an adequate rate as supply has outpaced demand.

Supply

From a supply side, the productivity of U.S. hog production has continued to increase and while the long-term trend is up approximately 1.5 percent per year – the past couple of years have seen an even greater increase in productivity. Granted, the total volume of pork produced is lower in 2009 than it was in 2008, but the reduction is still not enough to return pork producers to profitability. We will need to "right size" the industry by either a further reduction in supply, an increase in demand, or more likely, some of both.

Demand

From a demand standpoint, this past summer's economic data on prices paid for hogs and pork cuts continued to languish. Economic factors facing both domestic and foreign consumers in a recessionary period can be pointed to as one reason for low hog and pork prices and lower export demand.

H1N1

Another major reason for the drop in hog and pork prices was the outbreak of the novel H1N1 Influenza. Despite the fact that it was a human illness and not a swine illness, this outbreak in April 2009 had a significant and immediate impact on the domestic and international pork markets. While the initial media frenzy mis-named and mis-characterized this as a food safety issue, this is not a food safety issue at all – but rather, it is a human health issue.

If projected out to the end of 2009 and beyond using the futures prices in effect the day prior to the announcement of H1N1 on April 24, the true cost of this to the pork industry may very well exceed $2 billion.

Trade Barriers

The outbreak of the H1N1 virus led to the enactment of new trade barriers. Of the 17 countries that banned pork and pork products from the U.S., most notably were Russia and China. Before the ban, China was one of our fastest growing markets for pork exports.

Until this year, the U.S. had enjoyed 17 straight years of growth in pork exports. The U.S. pork industry is extremely competitive in the world markets, and we must work hard to maintain open access to all markets and expand into new ones.

In my opinion, the government should not try to address this issue by promoting subsidies to producers as the industry must "down-size" and the markets will force this to occur. We cannot allow trade barriers to be put in place against U.S. exports and similarly, we should not take a "protectionist" posture against our trade partners. We need to let the markets work.

Conclusion

There are two areas that I would recommend for the Subcommittee to pursue immediately:

1. To encourage and work with the Secretary of Agriculture to immediately make Section 32 funds available for additional purchases of pork for various federal food programs. An emphasis should be placed on purchasing meat from sows with an objective to reduce breeding stock and correspondingly reduce market hog numbers; and,

2. Encourage and work with the U.S. Trade Representative to open export markets to U.S. pork, particularly China, which continues to impose non-science-based restrictions on U.S. pork since the outbreak of Novel H1N1.

Thank you for the opportunity to appear before the Subcommittee. I am happy to respond to any questions that the member's of the Subcommittee may have regarding my testimony.